

**DEPARTMENT OF INSURANCE****Legal Division, Corporate Affairs Bureau**

45 Fremont Street, 24th Floor  
San Francisco, CA 94105



## NOTICE

**Date:** June 16, 2017

**To:** All Licensees and Other Interested Persons

**Subject:** Repeal of Workmen's Compensation Bond

The Department of Justice at the request of the California Department of Insurance has adopted section 50.7 to Title 11 of the Code of Regulations Article 19 promulgating a repeal of the workmen's compensation bond effective upon filing with the California Secretary of State on May 15, 2017. This bond form is no longer available for use.

A copy of the Notice of Filing and Printing Only, Notice of Publication of Regulations Submission Form 400 and bond form are with this notice, posted on the Department of Insurance Website.

If you have any question regarding this bond form, please contact Jill Jacobi at (415) 538-4426 or at [Jill.Jacobi@insurance.ca.gov](mailto:Jill.Jacobi@insurance.ca.gov).

**State of California  
Office of Administrative Law**

**In re:**  
**Department of Justice**

**Regulatory Action:**

**Title 11, California Code of Regulations**

**Repeal section: 50.7**

**NOTICE OF FILING AND PRINTING ONLY**

**Government Code Section 11343.8**

**OAL Matter Number: 2017-0424-04**

**OAL Matter Type: File and Print Only (FP)**

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This action submitted by the Department of Justice is a request to file and repeal the surety bond form of the Department of Insurance, "Workmen's Compensation Bond" pursuant to Government Code section 11343.8.

OAL filed this order of repeal with the Secretary of State and will publish the order of repeal in the California Code of Regulations.

**Date: May 15, 2017**



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Nicole C. Carrillo  
Attorney

**For: Debra M. Cornez  
Director**

**Original: Xavier Becerra  
Copy: Karen W. Yiu**

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER <b>Z-</b>	REGULATORY ACTION NUMBER <b>2017-0424-04FP</b>	EMERGENCY NUMBER
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For use by Office of Administrative Law (OAL) only

2017 APR 24 P 2:51  
OFFICE OF  
ADMINISTRATIVE LAW

NOTICE

REGULATIONS

AGENCY WITH RULEMAKING AUTHORITY

Department of Justice, for the Department of Insurance

AGENCY FILE NUMBER (if any)

**ENDORSED - FILED**  
in the office of the Secretary of State  
of the State of California

MAY 15 2017

1:54 PM

**A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)**

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

**B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**

1a. SUBJECT OF REGULATION(S) Department of Insurance bond form	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
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2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)

SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT
	AMEND
	REPEAL
TITLE(S) 11, Div. 1, Chapter 2	Article 19, section 50.7 Workmen's Compensation Bond

3. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input checked="" type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input checked="" type="checkbox"/> Other (Specify) <u>Repeal of surety bond form</u>	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input checked="" type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> 5100 Changes Without Regulatory Effect	<input type="checkbox"/> Effective other (Specify)
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6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
<input type="checkbox"/> Other (Specify)		

7. CONTACT PERSON Karen W. Yiu	TELEPHONE NUMBER (510) 879-1245	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
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8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE <i>Karen W. Yiu</i>	DATE April 20, 2017
TYPED NAME AND TITLE OF SIGNATORY Karen W. Yiu, Deputy Attorney General	

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

MAY 15 2017

Office of Administrative Law

# REPEAL

50.7 Workmen's Compensation Bond (Sections 11690-11719, Insurance Code).  
Approved by the Attorney General on January 15, 1969, 11 Admin Code.

State of California  
Department of Insurance  
**WORKMEN'S COMPENSATION BOND**  
(Insurance Code Sections 11690-11719)

Premium charged for  
this bond is \$ \_\_\_\_\_

*KNOW ALL MEN BY THESE PRESENTS:*

That the undersigned \_\_\_\_\_, a corporation, created,  
organized and existing under and by virtue of the laws of \_\_\_\_\_ an insurer  
transacting the business of Workmen's Compensation Insurance within the State of California, as  
principal, and \_\_\_\_\_, a corporation, organized and existing under the laws of the  
State of \_\_\_\_\_ a surety insurer authorized to transact the business of  
suretyship in the State of California, as surety, are held and firmly bound unto  
\_\_\_\_\_, Insurance Commissioner of the State of California, and to his  
successors in such office, as trustee for the beneficiaries of awards of compensation rendered by  
the Workmen's Compensation Appeals Board of the State of California, in the penal sum of  
\_\_\_\_\_ Dollars (\$ \_\_\_\_\_), for which payment well and truly to  
be made, we hereby bind ourselves and our successors and assigns, jointly and severally, firmly  
by these presents.

Sealed with our corporate seals and dated this \_\_\_\_\_ day of \_\_\_\_\_,  
19\_\_\_\_.

*THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:*

If the said principal shall pay any award, or if more than one, then all awards which shall  
be rendered against it by the Workmen's Compensation Appeals Board of the State of California,  
within 30 days after the same becomes or become final, and, if the principal shall, also, to the  
extent of its liability as a reinsurer, pay the amount of any award, or if more than one award, then  
all awards which shall be rendered by the Workmen's Compensation Appeals Board against any  
other insurer reinsured by said principal, within 30 days after the same become or becomes final,  
then the above obligation shall be void; otherwise to remain in full force and effect.

And it is expressly understood and agreed that in the event that said principal shall fail to  
pay any such award or awards which shall be rendered against it by said Workmen's  
Compensation Appeals Board within 30 days after the same becomes or become final, the said  
surety will forthwith pay to the extent of its liability under this bond said award or awards to said  
Insurance Commissioner, or to his successors in such office, as trustee for said beneficiaries;  
also,

If the said principal shall suspend payment or become insolvent or a receiver shall be  
appointed therefore, the undersigned surety will pay said awards to the extent of its liability  
under this bond upon the expiration of 30 days after the same become final, without any regard

## REPEAL

to any proceedings for the liquidation or reinstatement of said principal as an insurance carrier, also,

As a cumulative remedy only, in the event said principal shall fail to pay any award which shall be rendered against it by said Workmen's Compensation Appeals Board within 30 days after the same becomes final, it is expressly understood and agreed that any award may be rendered by said Board against the undersigned surety and in favor of said Insurance Commissioner or his successors in office, as trustee for the beneficiary of said award, without notice to said surety, for the amount of the unpaid portion of said award against said principal; also,

As an additional cumulative remedy, whenever any insurer fails to pay any award or awards rendered against it by the Workmen's Compensation Appeals Board, if the compensation policy which was the basis of the award, or any portion of the liability under such policy, has been reinsured with the principal, it is expressly understood and agreed that an award may be rendered by the said Board against the undersigned surety in favor of said Insurance Commissioner or his successors in office, as a trustee for the beneficiary of said award, for the amount of the unpaid portion of said award; but such award shall cover and be binding only to the extent of the liability of the principal to the particular insurer on its reinsurance contract.

The undersigned are held and firmly bound for the payment of all legal costs including reasonable attorney's fees, incurred in all or any actions or proceedings taken to enforce payment of this bond, or payment of said awards, or said judgments against the undersigned surety.

The liability under this bond shall continue up to and including the 30<sup>th</sup> day of June, 20\_\_ and thereafter until the filing of a new bond in the office of the said Insurance Commissioner, as provided by Article 1, Chapter 3, Part 3, Division 2 of the Insurance Code.

In Witness Whereof, the principal hereto has caused its name to be signed and its seal to be affixed hereto, by its respective officers thereunto duly authorized at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and the surety hereto has caused its name to be signed and its seal to be affixed hereto, by its respective officers thereto duly authorized, at \_\_\_\_\_ this \_\_\_\_\_ day of 20\_\_\_\_.

(Seal)

By \_\_\_\_\_  
Principal

By \_\_\_\_\_  
Surety

Note: Execution of workmen's compensation bond by principal and surety is governed by the instructions set fourth in section 50(j).